

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Venezuela

Post: Caracas

The Government expedites procedures for public imports

Report Categories:

Agricultural Situation

Dairy and Products

Grain and Feed

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Report Highlights:

The BRV will centralize imports of raw materials used in the manufacture of basic food basket products. The executive has issued a resolution to this effect to expedite the procedures for public-sector imports for the next twelve months. Post provides relevant information and background contained in press statements, industry analysis, and official documents and statements.

General Information:

The Government will expedite procedures for public-sector imports

Press reports and commentary:

The government last week decided that for the next twelve months public agencies will be exempted from some of the procedures required for imports and exports of specific items.

Official Gazette and Comments:

According to a Resolution of the Ministry of Science, Technology, and Intermediate Industries, published in Official Gazette No. 39,630 on March 8, 2011, public entities "will not be subject to the collection and submission of import licenses, certificates of insufficient production or non-domestic production certificates, and other documents referred in the customs rules as well as any other document that may be applicable in the rules."

The law states that this measure ensures "the timely provision of goods and products" in areas such as food security, health and housing, and adds that this also applies "to those areas that will raise the welfare of the population."

In the case of the certificates related to "protection, control, and health of people, animals and plants, and in the areas of security and defense" this resolution indicates that those "will be handled, processed and issued on a priority basis by the appropriate agencies." It also established that all import activities carried out by public entities "shall submit a monthly report" to Minister of Finance Jorge Giordani.

The content of this Resolution coincides with announcements made by the Minister of Commerce a month ago during her speech at the National Assembly. Further, the President had warned earlier this year that the government would increase public-sector imports to prevent the private sector from raising prices of food after the currency devaluation [in January 2011].

The Government Centralizes Imports of Raw Materials

The Government, throughout the Ministry of Food (MINAL) will undertake a rigorous monitoring program for food imports and will assume control of those items considered necessary. This announcement was made by the Minister of Food, Carlos Osorio, four days after the publication of the Resolution expediting public imports. Saying that "anyone who saw imports as a business has to know that imports are not a business, but solely to meet the needs of the population," the Minister also noted that leaving imports of raw material in private sector hands only encourages speculation by some actors.

Wheat, yellow corn, and dry powder milk will be some of the products that the State will be importing, and later

distributing to processing plants. Although he did not discard that eventually the private sector can buy these raw materials overseas, the Minister noted that they must do the business with Venezuelan partners and under strict government control.

The Minister of Commerce also reported that this week government enforcement agencies will begin a new phase of inspections of the entire food chain. She also said that the government will authorize the adjustment of fixed prices in some foods when they consider it appropriate, but not because of pressure from some sectors.

Sources:

Official statements and commentary in leading dailies, and Official Gazette No. 39,630